■ BUSINESS / B1
Peso at 3-year high of 52.09 due to foreigners buying stocks

■ NEWS / A5
Deal to sell Fraport's stake in Piatco to Manila Hotel collapses

Do you have a story to tell about Edsa I? The Inquirer is looking for those untold stories (photos, too) that contributed, no matter how small, to the first People Power in 1986 that so stunned the world and inspired and emboldened people in chains everywhere to break free. The contributions that will be selected by the editors will be used for the Inquirer's special celebration of the 20th anniversary of Edsa I. **Send your contribution, with your address and contact number, not later than Feb. 15 to** **lifeinsidelife@inquirer.com.ph**

e-mail: feedback@inquirer.com.ph

PHILIPPINE DAILY
INQUIRER
BALANCED NEWS, FEARLESS VIEWS

Thursday, February 2, 2006 ★★ 4 sections / Vol. 21 / No. 56 P18 website: www.inq7.net

Noli sued by former staff for illegal dismissal

By Michael Lim Ubac and Cynthia D. Balana

VICE PRESIDENT NOLI DE CASTRO, FORMER mainstay of the defunct television show "Magandang Gabi, Bayan," is facing a legal fight with employees of its producer, Bayan Productions Inc.

Seven writers, two researchers, three cameramen, two assistant cameramen

NOLI SUED A4

300 camp out at Manny's gate waiting for 'balato'

By Aquiles Z. Zonio
PDI Mindanao Bureau

GENERAL SANTOS CITY—Scores of people are patiently waiting outside the house of Manny Pacquiao here for a "balato" (tip) after his victory over Morales

BOXING HEROES A4







STATE OF DISCONTENT Protesters clash with policemen near Malacañang at a rally on Wednesday, one of several anti-VAT rallies held simultaneously.

VAT sparks buying frenzy for cars, condos

By Gil C. Cabacungan Jr.

A DISCOUNT EQUIVALENT TO 2 PERCENT of today's retail prices of big ticket items was enough to fuel a buying frenzy of sorts among the well-to-do.

Sales of condominiums, cars and plasma TVs rose sharply before Feb. 1, the day the government raised the rate of the expanded value-added tax (VAT) from 10 percent to 12 percent.

Most retailers reported a surge in sales as buyers rushed to beat the 2-percentage-point increase in the VAT rate, said Jaime Lim, Philippine Chamber of Commerce and Industry vice president.

"These buyers were probably set on buying these items this year and they just advanced

VAT SPARKS A4

CBCP: Quit option stays

Lagdameo explains pastoral statement

By Nestor P. Burgos Jr., PDI Visayas Bureau
and Christian V. Esguerra

ILOILO CITY—THE PRESIDENT OF THE Catholic Bishops Conference of the Philippines yesterday said that resignation remained an option for President Macapagal-Arroyo to resolve the "Hello Garci" controversy.

Archbishop Angel Lagdameo also brushed aside criticisms that the Catholic Church was interfering in politics. "When people do not like what we are saying, then we will be criticized as interfering in politics," Lagdameo said.

The archbishop of Jaro said that the resignation option was contained in the July 10, 2005, pastoral statement issued by the CBCP at the height of the wiretapping controversy that nearly unseated Ms Arroyo.

In last year's statement, the bishops stayed away from mounting calls for the President's resignation but said she should not ignore them.

Asked if last week's pastoral statement, issued after the

CBCP A6



THE GREATEST SECRET
Manuel V. Pangilinan, named 2005 Man of the Year by the Management Association of the Philippines, reveals in his acceptance speech on Tuesday that when it comes to success, there are no secrets. Success springs from old-fashioned values like honesty and diligence, hard work and commitment.

Fertilizer fund traced to solon's foundation

By Jhunnex Napallacan
PDI Visayas Bureau
and TJ Burgonio
In Manila

CEBU CITY—THE FOUNDATION that was to implement the Department of Agriculture's controversial hybrid rice program in Cebu's third district has the same address and phone number as the office and clinic of the district's representative, Antonio Yapha.

The people behind the foundation are employees of Yapha, a physician and one of the three Cebuano lawmakers who benefited from the DA's Hybrid Rice Commercialization (HRC) program. Yapha received P3 million, according to DA records.

The foundation was registered with the Securities and Exchange Commission on May 20, 2002, under the name "Kasanyo Foundation." Its given address was Cebu City, with phone number 412-5773; its registration number was A200206333.

FERTILIZER A4

Town mates rush to defend Faeldon's girl

By Felipe V. Celino
PDI Visayas Bureau

ROXAS CITY—RELATIVES AND town mates of Capt. Candelaria Rivas in Mambusao town, Capiz, have come to the defense of the officer who is facing investigation for allegedly "coddling" Oakwood mutineer Capt. Nicanor Faeldon after he escaped from detention.

Her sister Santiaga Rivas, a councilwoman of Barangay Manatag in Mambusao, said her family and town mates could not believe that "Lala," as the 33-year-old Candelaria is called, would be involved in the escape of Faeldon. (See related story on Page A2.)

"Lala is dedicated to her job. As a practicing lawyer, she knows the law," said Santiaga of her younger sister, a member of the Armed Forces Judge Advocate General's Office (Jago).

Manatag Barangay Captain Danilo Leonor said he would not believe that Lala would do what was contrary to law, especially that her late father, Jesus Rivas, was a respected lawyer in their town.

He said the residents of Manatag had high respect for Lala for

TOWN MATES A6

UP study finds toxic heavy metals near Lafayette mine

TOXIC HEAVY METALS LIKE LEAD and mercury were found in sediments surrounding the mine of Lafayette Philippines Inc. on Rapu-Rapu Island in Albay according to independent tests commissioned by an environmental group.

The mine of Lafayette Philippines, a subsidiary of an Australian mining company, is touted as the showcase project of the Arroyo administration's mining program.

Analysis by the University of the Philippines' Environmental Engineering Department of 34 samples gathered by a fact-finding team last November showed that all samples contained heavy metals.

The samples contained toxic metals like mercury, lead, cadmium and arsenic, along with selenium, copper, chromium, barium, nickel and zinc, the Center for Environmental Concerns (CEC) said yesterday.

Heavy metals are a group of naturally occurring elements, which can be toxic to humans in high concentrations.

Mercury is a neurotoxin that damages the brain and causes cancer. It may induce abortion in pregnant women. Lead affects motor skills and physical development, while arsenic poisons the blood and respiratory system.

Previous testing by the Environment Management Bureau found only the presence of cyanide on Rapu-Rapu Island.

"It's not just cyanide for which

UP STUDY A4

Martin Luther King's widow dies

ATLANTA, GEORGIA—CORETTA Scott King, who battled to preserve the legacy of her slain husband, civil rights legend Martin Luther King Jr., has died at the age of 78, her family announced Tuesday.

Tributes poured in for the woman who continued to fight against racial injustice and spread the message of nonviolence in the four decades since her husband's assassination.

Andrew Young, a former civil rights activist who had remained close to the family said Scott King died in her sleep overnight.

"Her daughter went in to wake her up and she was not able to and so she quietly slipped away. Her spirit will remain with us just as her husband's has," Young said.

Scott King died at 1 a.m. (1730

MARTIN A4



THE DREAM that Coretta Scott King shared with her husband Martin Luther King Jr. did not die with him for she carried on to the mountaintop.

Bush: US must end addiction to ME oil

WASHINGTON—IN A STATE OF the Union speech that promised aggressive US engagement around the world, President George W. Bush on Tuesday said "America is addicted to oil" from the Middle East and must break its dependence.

Looking to restore confidence in his leadership, Bush stood before members of the US Congress and the rest of Washington's power elite in the chamber of the House of Representatives to map out an election-year agenda for Republicans. His speech was at times optimistic and at others combative.

And while he vowed to work to improve the tone of debate in Washington, he defended a domestic spying program that had outraged Democrats. To his harshest critics on Iraq, he said "second-guessing is not a strategy."

With three years left in office, Bush is hoping to lift his political fortunes and those of his Republican allies in an election year with control of Congress up for grabs. He is coming off one of the toughest stretches of his presidency and his job approval ratings hover in the high 30s to low 40s in most polls.

The former oilman outlined a green agenda, promoting the need to improve technologies in order to reduce US oil imports from the Middle East 75 percent

BUSH A4

5 Faeldon coddlers arrested

By Dona Z. Pazzibugan

THE MILITARY ACKNOWLEDGED FOR THE FIRST TIME YESTERday that Capt. Nicanor Faeldon had managed to sneak in and out of several military and police camps while he was on the lam and said they had taken in for questioning at least five soldiers who had helped the Marine officer pull off those stunts before he was recaptured last week.



TONI BLACKMAN

Free concerts by US 'hip-hop ambassador'

Cojuangcos hit gov't plan to sell PLDT shares

Palace disowns deal with Danding

Indian president here tomorrow for state visit

Bush: US must end addiction to Mideast oil



Martin Luther King's widow dies in her sleep; 78

THE DAILY GOSPEL

Corrections



PLATINUM CODE PROMO WINNER

Deal to sell Fraport's stake in Piatco collapses

Sandigan allows Erap eye surgery

Gov't eyes drones for spy missions

CBCP: Quit option stays

[illegible]

3 options

[illegible]

Evasion and obstruction

[illegible]

Addressed to GMA

[illegible]

'Impeachment'

[illegible]

Makati Business Club

[illegible]

VAT sparks buying frenzy for cars, condos, plasma TVs

[illegible]

Cash payment only

[illegible]

200 cars in a month

[illegible]

Protest rallies

[illegible]

Injuries

[illegible]

Town mates rush to defend Faeldon's girl

[illegible]

Moved to holding center

[illegible]

'Clean and green'

[illegible]

Mother doesn't know

[illegible]

Lovers?

[illegible]

Building house

[illegible]

Innocent until ...

[illegible]

Noli sued by former staff for illegal dismissal

[illegible]

P100 million

[illegible]

Line-produced show

[illegible]

'Left hanging'

[illegible]

'For our rights'

[illegible]

US to bankroll peace with Moro rebs

WASHINGTON—THE UNITED States says it will provide funds to reintegrate rebels from the Moro Islamic Liberation Front if it signs a peace accord to end a three-decade long revolt.

The Philippine government could sign the peace treaty with the MILF as early as this year, ending a rebellion waged since 1978 by Moro rebels.

Washington had provided economic aid to a program that helped reintegrate former combatants of another large Muslim separatist group, the Moro National Liberation Front (MNLF), which signed a peace treaty with Manila in 1996.

The United States hopes "to offer a similar program if another major Muslim insurgent group signs a peace accord with the Philippine government," said Kristie Kenney, President George W. Bush's nominee to be the new US ambassador to Manila.

Kenney, speaking at her confirmation hearing before the Senate Committee on Foreign Relations on Tuesday, was referring to the 12,000-strong separatist group MILF that signed a ceasefire with the government in 2003.

She did not provide details of the prospective funding.

Malaysia is hosting peace talks between the administration of Philippine President Gloria Arroyo and the MILF leadership.

A Philippine negotiating panel is expected to fly to Kuala Lumpur shortly to resume talks that began about two years ago with the ceasefire signing.

The MILF has also promised to help flush out foreign Islamic militants believed hiding in Mindanao, where it has been fighting for an independent state.

The militants are believed to be linked to the Jemaah Islamiyah extremist network, which reportedly is the Southeast Asian chapter of the al-Qaida terror network.

Kenney, the former US Ambassador to Ecuador and who had previously held senior positions at the State Department and National Security Council in Washington, said she wanted to enhance US ties with the Philippines, including in cooperation in the US-led "war on terror."

The United States currently trains Philippine troops battling the Abu Sayyaf kidnap-for-ransom group, another al-Qaida linked organization which operates in the southern tip of the archipelago.

Bilateral relations took a hit recently over a tug-of-war on the custody of four US Marines accused of involvement in a rape of a 22-year-old Filipino woman.

Washington rejected a request by Manila to hand over the soldiers, citing a treaty allowing for US custody until the case was concluded.

But a group of Philippine lawmakers called for the scrapping of the treaty that they said gives visiting US servicemen undue protection when they commit crimes in the Philippines.

The United States is the largest investor in the Philippines and top trading partner. More than 120,000 US citizens reside in the Philippines while about two million Filipino-Americans live in the United States.

"I believe our historic relationship with the Philippines will continue to flourish as we pursue our common vision of peace, stability and prosperity," Kenney told the Senate hearing.

AFP

UP study finds toxic heavy metals near Lafayette mine

Unreliable study

Third party analysis

CBCP's call

Remain firm

Assurance

Fertilizer fund traced to solon's foundation

No rice farms in district

Kasoyo-distributed

Surprise witnesses

Non-CARP farmers

Bounty for Bolante

300 camp out at Manny's gate waiting for 'balato'

The WORLD

Editor Lorenzo B. Gueco

Iran threatens to stop UN nuke inspections

TEHRAN—THE CRISIS OVER IRAN'S NUCLEAR AMBITIONS deepened Tuesday as Tehran signaled it would end cooperation with the UN nuclear watchdog at the weekend and the United States warned of a miscalculation.



S. Korea widens criminal probe of tainted scientists

Bioethics law

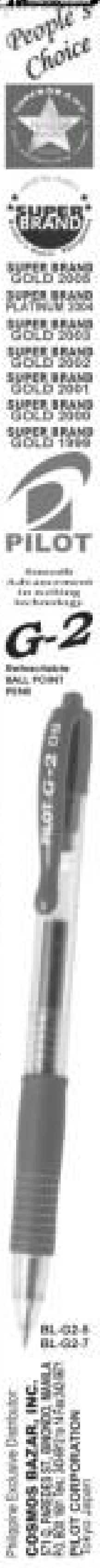
Unethical

New planet is bigger than Pluto, says study

Moscow ready to work with all-Hamas gov't







Lies, conspiracy cited at Enron CEOs' trial

[illegible]



ROBOT DOG

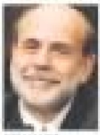
[illegible]

Iraq kidnappers set deadline for German hostages

[illegible]

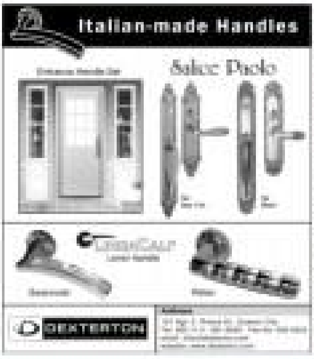
Bernanke named new Fed chair

[illegible]



BERNANKE

[illegible]



Afghans win aid, military pledges



Alito sworn in as newest justice


ALITO

WorldBriefs

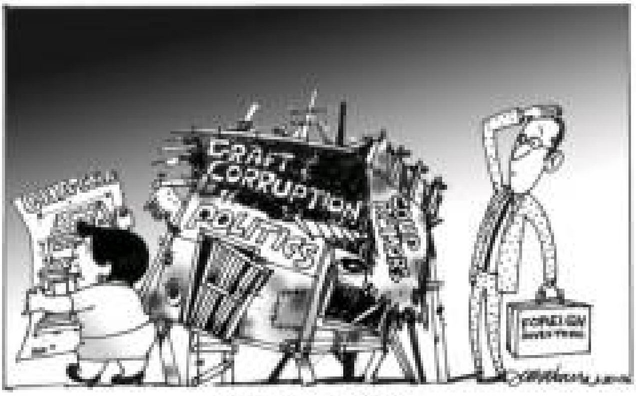
Saddam trial boycott

Indonesia ferry sinks

$485-M bank scam in China

Blast kills 8 Iraqi laborers

OPINION



Mission impossible

EDITORIAL

Newsroom rule

VIEWPOINT

Juan L. Mercado

Credible alternative

THERE'S THE RUB

Conrado de Quiros

Another trickster

FOREIGN COMMENT

Constituent assembly can cut GMA's term

Political Tidbits



Belinda Olivares-Cunanan

Like the wrath of God

Human Face



Ma. Ceres P. Doyo

Prisoner's lament

The Long View



Manuel L. Quezon III

Six

Young Blood

Return to the wild

Save nation from Comelec

[illegible]

World Bank's independent judiciaries: arrant nonsense

[illegible]

Cultural imperialism visible in ban on eating of dog meat

[illegible]

Could Filipinos excel in games of teamwork?

[illegible]

LETTERS

Spying usual even among allies

[illegible]

Dictatorship in the making?

[illegible]

Pacman as 'fighting cock'

[illegible]

On FG's joining Pacquiao

[illegible]

PHILIPPINE DAILY INQUIRER TV GUIDE Thursday, February 2, 2006

[illegible]

TV SCHEDULES ARE SUBJECT TO CHANGE WITHOUT PRIOR NOTICE.

INQUIRER Southern Luzon

Pope picks first Filipino parish priest in Rome

By Gil Francis G. Arevalo
Daraga, Albay

"I DREAMED [OF HAVING] A BIG FAMILY OF MY own, but I ended up having a parish that is itself a big family," confesses Fr. Jesus Moraño, a native of Barangay Anislag in Daraga town, Albay.



FR. JESUS Moraño, who was appointed priest of the Our Lady of Fatima Parish Church in the Diocese of Rome, is reunited with relatives and friends in his hometown in Daraga, Albay.

Hometown

God's grace

Second child

Calling

Duties

Mindoro youths learn windsurfing

By Marciano T. Vinda Jr.
Puerto Galera, Oriental Mindoro

FOR THE UNINITIATED, windsurfing may seem a daunting sport.



WINDSURFING enthusiast Melo Garcia

Grandfather

Jobs

Speed

Training youths

Across the NATION

Tarlac clashes death toll rises to 11

CAMP OLIVAS, PAMPANGA—THE DEATH TOLL IN the series of clashes between communist rebels and government soldiers in Sta. Ignacia, Tarlac, has risen to 11, a military official said on Wednesday.

Roundup

Cordillera cops are tops

3 killed in ambush

Soldier slain in N. Cotabato

Rebels hold 3 persons

Misuari hospitalized

Pneumonia alert



SPECTATORS

AFP starts implementing new honor code for PMA

Legazpi mayor appeals Comelec ruling

Report says it was whale, not dugong



METRO

EZ2 · SUERTRES · FOUR DIGIT

MEGALOTTO 6/45

18 25 27 29 30 34

₱48,736,776.60

Protest settles fight for top cops title

By DJ Yap and Jocelyn R. Uy

'Love camp' to host special kids in QC

By DJ Yap



BELMONTE

Mascots and clowns

Montalban, Capas dumps await Metro trash—MMDA

METROBRIEFS

No toll hike, but ...



Wrong move for cops



St. Ezekiel honored

Lost and found

Caloocan marks 44th year

AWARD-WINNING HOMES
FOR AS LOW AS P2M
WITH EASY PAYMENT TERMS!



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SPORTS



Honest mistake, says embattled SEAG titlist

Air21, Ginebra stay afloat

INVESTING IN REAL ESTATE:

Seahawks MVP Alexander the great's just another kid

[illegible]

Lakers ride Kobe anew

Bryant torches Knicks, joins Wilt in history

NEW YORK—KOBE BRYANT IS back in Wilt Chamberlain's company again.

[illegible]



BREEZY TRIUMPH [illegible]

Riviera sweeps Alabang ladies in Fed League

[illegible]

Many NSAs still shun SEC listing



Altronics-WL wins; Sy is fastest driver

Wizards, Painters title series begins

Coaches: Players commitment is key



GARCIA



UAAP to meet on La Salle cage leave

Sportswatch

Olympian archer laid to rest

37 entries lead Roligon derby

Top cockers join Pacquiao derby

Poker prize; Southern Ladies challenge

SPECTATOR





Honest mistake...

Southern Ladies gets going at Del Monte



INNATELY SHARP
That's what it takes
to be GREAT.
The All-New
RAV4
The Great SUV
TOYOTA
moving forward

BUSINESS

Peso seen breaching 51:$1 mark

CURRENCIES



STOCK MARKET



Shares close flat

Currency rallies to 3-year high of 52.05

FOREIGN BUYING OF LOCAL STOCKS, SOFTENING oil prices and better credit-rating prospects for the country strengthened the peso further to a three-year high of 52.05 before closing at 52.09 to the dollar.



ALI HOMESTARTER BOND LAUNCHED

Lopez firm teams up with Marubeni on power ventures



Air Phils pursues refleeting plan

Shares close flat

Singapore firm gets perks

Favor of the month

BREAKTIME

Peso seen ...

BUSINESS

Gov't seen reviewing medium-term targets

Factoring in rising oil prices, other developments

[illegible]

Semiconductor firm expanding operations

[illegible]

BSP sees no need to raise key policy rates

[illegible]



[illegible]

Editor: Chelo Banal-Formoso

LIFESTYLE



[illegible caption]

Soft, silky 'taho' delivered

KITCHEN RESCUE



Reggie Aspiras

IN THE REAL WORLD, IT IS quite a struggle for people to prepare everything from soup to nuts, and to order food is sometimes a welcome thought, especially when it comes to dessert. Even for people like us who live in the kitchen, ordering food from time to time is a blissful exercise.

[illegible]

Easy liver recipe

Do you have an easy chicken liver pâté/terrine recipe?

[illegible]

[illegible]

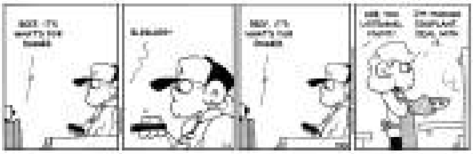
Chicken Liver Pâté

[illegible]

[illegible]

For comments or suggestions e-mail: [illegible]

FOXTROT — BY BILL AMEND



A. LIPIN



MARVIN — BY TOM ARMSTRONG



PUGAD BABOY

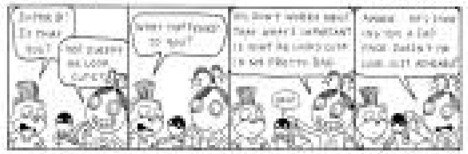


BABY BLUES — BY JERRY SCOTT



MUTTS — BY PATRICK McDONNELL





DIVINE COMEDY





BEN — BY DANIEL SHELTON



KIKO MACHINE

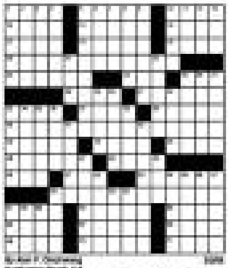


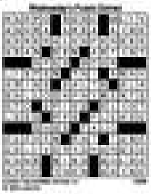




Horoscope

Daily Crossword





The necessary side dish





Country Cooking



Micky Fenix

'Pansit' and 'tokwa'

'Sinigang' and 'lumpia'

'Kare-kare' menu

Dishing out happiness and luck



CHICKEN Patties for Positive Chi

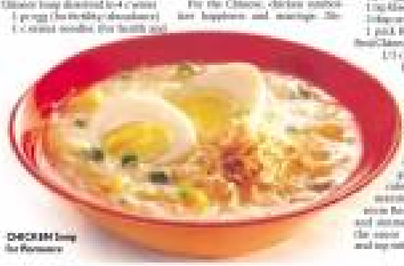


NIDO Misua for Abundance

Nido Misua for Abundance

Chicken Soup for Romance

Chicken Patties for Positive Chi



CHICKEN Soup for Romance

Classes

Free cooking demo in mall

Corned beef-making and smoking

Choco baking workshop, Feb. 4

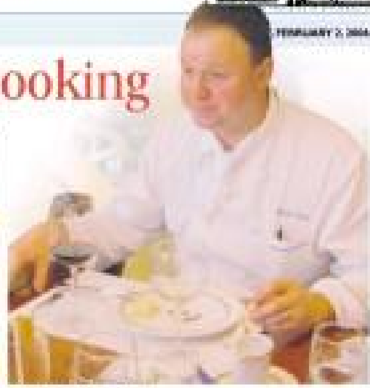
Hearty meals for the love month

Dining out



A guided tour of French cooking





EXECUTIVE chef Cyrille Soenen

Managing a Catering Business

Pag-Ibig members have to wait to get back contributions

THE CONSUMER

Marietta Velasco Giron



Fake collector

Readers' feedback